

## STATE FOREST CORPORATISATION "BAD FOR TAXPAYERS AND ENVIRONMENT"

Corporatising Forests NSW will make it less accountable to taxpayers and the environment and more secretive about loss making areas such as native forest woodchipping, according to forest campaigner and spokesperson for the Chipstop campaign, Ms Harriett Swift.

Today's announcement by Primary Industries Minister, Katrina Hodgkinson is bad for forest dwelling animals, bad for workers and bad for transparency of forestry operations.

"It took years for the public to discover that NSW taxpayers were subsidising native forest logging in the State to the tune of more than \$14 million a year," Ms Swift said.

"Year after year, it presented its accounts in a way that lumped together the profitable activities such as plantations with the loss making native forest logging to conceal the losses."

"It was only after the Auditor General uncovered the multi-million dollar losses 4 years ago that the public was able to see the full cost of propping up woodchipping and unprofitable native forest logging."

"Under a corporatized structure, Forests NSW will have an even greater incentive to cut corners on environmental prescriptions and remove all incentive to put resources into researching whether they even work."

"At present, Forests NSW and logging contractors have a number of bureaucratic hoops that they must jump through in the name of environmental protection, but no research has ever been done to find out whether they work or not."

"To anyone familiar with the results of logging, especially in the south east woodchipping region, it is very clear that the impacts on the environment: waterways, soil, wildlife and increased bushfire hazard have been disastrous."

"A corporatized body will have no incentive to put resources into reducing the destructive impacts of logging," she said.

"Historically, the core business of Forests NSW has been to log native forests and it is the only thing it is most comfortable doing. Under the veil of secrecy that corporatisation will provide, it will want to continue doing this without even the rudimentary scrutiny that it now has to suffer," she said.

"I am willing to bet that this will mean that Forests NSW will continue to have it both ways and will not start to pay local government rates like other corporatized government business enterprises."

"I predict that they will continue to get a free ride on ratepayers, which is worth about a million dollars a year from the Bega Valley Shire alone," Ms Swift said.

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